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Supreme Court of the United States

October Term 1945

No. 1092

METALLIZING ENGINEERING CO. INC.,

Petitioner,

against

KENYON BEARING & AUTO PARTS CO. INC., *et al.*,

Respondents.

PETITION FOR WRIT OF CERTIORARI AND BRIEF IN SUPPORT THEREOF

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Supreme Court of the United States

OCTOBER TERM, 1945

No.

METALLIZING ENGINEERING CO. INC.,
Petitioner,

against

KENYON BEARING & AUTO PARTS CO. INC., *et al.*,
Respondents.

PETITION FOR WRIT OF CERTIORARI

To the Honorable the Chief Justice and the Associate Justices of the Supreme Court of the United States:

Your petitioner, Metallizing Engineering Co. Inc., prays that a writ of certiorari issue to review the judgment of the United States Circuit Court of Appeals for the Second Circuit entered herein on the 10th day of January, 1946.

A certified transcript of the record in the case, including the proceedings in the Circuit Court of Appeals for the Second Circuit, is furnished herewith in compliance with Rule 38 of this Court.

Summary Statement of Matter Involved

Petitioner sued respondents[1] in the United States District Court for the District of Connecticut for infringement of Reissue Patent No. 22,397 (933 B) issued to John F. Meduna, petitioner's assignor on November 30, 1943, on a process improvement in the metallizing art. The original patent 2,320,327 had been issued on May 25, 1943 upon application filed August 6, 1942.[2]

The District Court sustained the patent.

It held the patented process to be "a new and highly useful addition to the metallizing art" and patentable[3]; that it was not known or used by others or patented or described in any printed publication before Meduna's invention or discovery thereof;[4] and that it had not been in public use or on sale by others for more than one year prior to Meduna's application.[5]

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[1] The defense was assumed by respondents' manufacturer, Metallizing Company of America, a competitor of petitioner (943 B; 85-87 C).

Note: We shall refer to the transcript of record by page number followed by the letter designating the volume, A, B or C.

[2] The reissue was necessitated by the inadvertent omission of drawings in the printing of the original patent 2,320,327, May 25, 1943; the original and reissue are in all other respects identical.

[3] 968-969 B; 62 Fed. Supp. 53-4.

[4] Findings 1-6, 942-948 B; 62 Fed. Supp. 43-45; Conclusions of Law 1, 968-971 B; 62 Fed. Supp. 53-54.

[5] Finding 7, 948-9 B; 62 Fed. Supp. 45-46; and Findings 15-18, 953-966 B; 62 Fed. Supp. 47-53. Conclusion 6, 980-981 B; 62 Fed. Supp. 58-59.

Respondents had pleaded invalidity, under Sections 31 and 69 of 35 U. S. Code (R.S. 4886 and 4920),[6] on the grounds (a) that the patented process had been in public use or on sale in this country for more than one year prior to the date of filing of the application by the inventor in his own machine shop, Meduna Machine Works;[7] and (b) that Meduna had perfected the process "several years prior to his filing" of the application and "between the date of such perfection * * * and the filing of such application," had used the invention in secret for profit with the deliberate purpose "of withholding disclosure of his in-

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[6] Section 31 (R.S. 4886):

> "Any person who has invented or discovered any new and useful art, machine, manufacture, or composition of matter, or any new and useful improvements thereof, or who has invented or discovered and asexually reproduced any distinct and new variety of plant, other than a tuber-propagated plant, not known or used by others in this country, before his invention or discovery thereof, and not patented or described in any printed publication in this or any foreign country, before his invention or discovery thereof, or more than one year prior to his application, and not in public use or on sale in this country for more than one year prior to his application, unless the same is proved to have been abandoned, may, upon payment of the fees required by law, and other due proceeding had, obtain a patent therefor."

Section 69 (R.S. 4920):

> "In any action for infringement the defendant may plead the general issue, and having given notice in writing to the plaintiff or his attorney thirty days before, may prove on trial any one or more of the following special matters:
>
> * * * * *
>
> "Fifth: That it had been in public use or on sale in this country for more than one year before his application for a patent, or had been abandoned to the public."

[7] Supplemental Answer, par. 6(c), folio 23 at page 84, Volume A and Schedule A, page 11, folio 32.

vention and thereby enjoy exclusive rights thereto while maintaining said invention secret"; and that by reason thereof he "had abandoned his right to obtain a patent" for the invented process.[8]

The District Court rejected each of these defenses on carefully stated findings 8-13 inclusive (949-952 B; 62 Fed. Supp. 46-47), and Conclusions of Law 4 and 5 (974-980 B; 62 Fed. Supp. 56-58).

The facts found by the District Court are:

1. The inventor, owner of a small machine shop, first tried his process with results which seemed satisfactory in March of 1940. He filed his application on August 6, 1942. (Finding 8, 949-50 B; 62 Fed. Supp. 46).

2. Having been advised to test his process thoroughly in actual service before attempting to patent it, the inventor solicited orders for metallizing hardened metal parts and in the period from March 1940 to August 1941 (one year prior to his application date) received 66 orders which were processed for prices aggregating $1,100 representing about 10% of his gross business in that period (Finding 9, 950-51 B; 62 Fed. Supp. 46).

3. That at all times prior to August 6, 1941 the practice of the process was so guarded as not to come to public knowledge and that the nature of the process could not have been deduced from inspection or physical tests upon specimens of the processed product in the hands of the public (Finding 13, 952 B; 62 Fed. Supp. 47).

4. The inventor had a genuine experimental purpose in undertaking this secret practice of the process but as to a

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[8] Supplemental Answer, par. 8, (9-10A).

part of it, at least, the experimental purpose was subordinate to a commercial purpose. (Conclusion 5, 979 B, fol. 2936; 62 Fed. Supp. 58; Findings 9-12, 950-952 B; 62 Fed. Supp. 46-7; Conclusion 3, 972-4; 62 Fed. Supp. 55-6).

5. The inventor's secret practice of the invention in the period prior to August 1941 was of wholly inadequate weight in the light of the circumstances to support a finding of an intent to abandon. (Conclusion 5, 979-80 B; 62 Fed. Supp. 58; Findings 9-13, 950-952 B; 62 Fed. Supp. 46-7).

On these facts the District Court held:

(1) that the defense of abandonment had not been sustained (Conclusion 5, 978-980 B; 62 Fed. Supp. 58).

> "For here it is apparent that from the time he stumbled upon his discovery the plaintiff sought jealously to preserve his patent rights. (Pars. 9 and 13) Although I have found that as to a part of his secret practice, at least, his experimental purpose was subordinate to a commercial purpose, the experimental purpose was nevertheless present and genuine.
>
> • • • • •
>
> "And while on the whole it seems clear that the invention had been reduced to practice by some time before August, 1941, his secret practice of the invention for the time intervening was of slight weight in itself, and of wholly inadequate weight in the light of the entire situation, to support a finding of an intent to abandon. National Aluminate Corporation v. Permutit, 6 Cir., 145 F. 2d 175, 180." (979 B; 62 Fed. Supp. 58)

(2) that the inventor's use, not being predominantly for experimental purposes, did not fall within the category

of experimental use or sale excepted from the statute by judicial decision (972-4 B; 62 Fed. Supp. 55-56); and

(3) that "a process invention which, as here, does not involve the use of an article invention may be practiced in secret, and the sale of its product will not be held to constitute a public use *of the invented process* if the plaintiff sustains the burden of proving that at the time the product is sold the process could not have been learned from the product. And that burden, as I have found (Par. 13), has been amply sustained by the plaintiff here." (987 B; 62 Fed. Supp. 57, italics in original.)

The Court of Appeals reversed the lower court on the ground that any use with a commercial purpose by the inventor, even though it was a secret use, beyond the statutory one year period limiting prior public use, forfeits the inventor's right to a patent. The public character of the use was rejected as the criterion; the sole test was made whether the use was for competitive gain; and the duration of the use for one year was held to be fatal even though the secret practice of the invention was found to be of wholly inadequate weight in the light of the circumstances to support a finding of an intent to abandon. The Court of Appeals said (287 C):

> "• • • it is a condition upon an inventor's right to a patent that he shall not exploit his discovery competitively after it is ready for patenting" except that he is "allowed to do so" for a limited period of one year by the statute, but "if he goes beyond that period of probation, he forfeits his right regardless of how little the public may have learned about the invention." • • •

"It is indeed true that an inventor may continue for more than a year to practice his invention for his private purposes or his own enjoyment and later patent it.[9] But that is, properly considered, not an exception to the doctrine, for he is not then making use of *his secret* to gain a competitive advantage over others." (Emphasis ours).

The Questions Presented

The questions petitioner seeks to have reviewed by this Court are:

1. Is the period of one year permissible under the statute (R.S. 4886) for public use after invention and before application for patent a fixed time limit upon the permissible duration of secret use of the invention by the inventor if that secret use is predominantly for a commercial purpose.

2. Does the limited use of an invention by the inventor in secret with a commercial purpose during any period of time, however short, more than one year prior to the filing of his patent application forfeit the inventor's right to a patent, when a present and genuine experimental purpose accompanied the commercial purpose; the inventor was at all times seeking jealously to preserve his patent rights; and his secret practice of the invention for the time more than one year before filing was of wholly inadequate weight in the light of the entire situation to support a finding of an intent to abandon.

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[9] In the course of its opinion, the Court of Appeals also recognized that a prior secret use by a third person, other than the inventor, which did not disclose the invention to the art, does not constitute a statutory bar to the issuance of a valid patent (287 C).

Reasons Relied on for Allowance of the Writ

1. The Court of Appeals has decided a federal question in a way probably in conflict with applicable decisions of this Court.

Kendall v. *Winsor*, 21 How. 322;
Manning v. *Cape Ann etc. Co.*, 108 U. S. 462;
Smith etc Co. v. *Sprague*, 123 U. S. 249;
Electric etc. Co. v. *Shimadzu*, 307 U. S. 5.

2. The Court of Appeals has rendered a decision in conflict with decisions of other circuit courts of appeals, of the Court of Custom & Patent Appeals and of district courts in other circuits on the same matter

Jenner v. *Bowen* (C. C. A. 6) 139 Fed. 556;
Penn etc. Co. v. *Conroy* (C. C. A. 3) 159 Fed. 943;
Paraffine Companies, Inc. v. *McEverlast, Inc.* (C. C. A. 9) 84 F. 2d 335;
Macbeth-Evans Glass Co. v. *G. E. Co.* (C. C. A. 6), 246 Fed. 695;
Stresau v. *Ipsen* (C. C. P. A.) 77 F. 2d 937;
Am. Whip Co. v. *Hampden Whip Co.* (C. C., D. Mass. 4 Fed. 536);
Bryce Bros. Co. v. *Seneca Glass Co.* (C. C. N. D., West Va.) 140 Fed. 161.

3. The Court of Appeals has found for the first time a bar to the grant of a patent for a new and useful invention in the secret use of the invention by the inventor partly for experimental purposes but predominantly for a commercial purpose more than one year prior to the filing of his application, and in so doing has so far departed from the established rules of statutory interpretation as to call for an exercise of this Court's power of supervision.

PRAYER

WHEREFORE your petitioner respectfully prays that a Writ of Certiorari be issued to the Circuit Court of Appeals for the Second Circuit to the end that this cause may be reviewed and determined by this Court and that your petitioner may have such other and further relief in the premises as to this Court may seem meet and just.

Respectfully submitted,

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